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Hon. Timothy W. Dore
Chapter 7

**UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF WASHINGTON AT SEATTLE**

In re:

JOHN PAUL MADDELA,

Debtor.

Bankr. Case No.: 19-14357-TWD

Chapter 7

JOHN PAUL MADDELA,

Plaintiff,

Adv. Proc. No.: 22-01021-TWD

v.

NAVIENT SOLUTION, LLC,
UNIVERSITY OF IOWA, and
ROSALIND FRANKLIN UNIVERSITY,

Defendants.

**STIPULATION IN SETTLEMENT
BETWEEN PLAINTIFF AND
NAVIENT SOLUTIONS, LLC**

Plaintiff, John Paul Maddela (“Plaintiff”), and Defendant, Navient Solutions, LLC (“NSL”), on behalf of itself and named Defendant Navient Solution, LLC, by and through their undersigned counsel, hereby stipulate as follows:

1. On November 28, 2019, the Plaintiff filed a voluntary petition for relief under Chapter 7 of the United States Bankruptcy Code. A discharge of eligible debts was entered on February 26, 2020.

STIPULATION IN SETTLEMENT BETWEEN
PLAINTIFF AND NAVIENT SOLUTIONS, LLC - 1

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1 2. On May 12, 2022, the Plaintiff filed a Complaint naming, *inter alia*, NSL as a
2 Defendant, seeking a discharge of educational loan debt pursuant to 11 U.S.C. §523(a)(8).

3 3. On June 8, 2022, NSL filed its Answer to the Plaintiff's Complaint.

4 4. The Plaintiff is indebted to NSL pursuant to the applicable terms of four (4)
5 educational loan Promissory Notes ("Promissory Notes"), executed by the Plaintiff to obtain
6 educational loans ("Student Loans"), with approximate balances, as of the filing of this adversary
7 proceeding, as follows:

8 a. one (1) educational loan initially disbursed on or about July 29, 2003, with a
9 balance, including principal and interest, totaling \$20,761.93;

10 b. one (1) educational loan initially disbursed on or about July 23, 2004, with a
11 balance, including principal and interest, totaling \$19,771.73;

12 c. one (1) educational loan initially disbursed on or about July 25, 2005, with a
13 balance, including principal and interest, totaling \$36,158.57; and

14 d. one (1) educational loan initially disbursed on or about July 28, 2006, with a
15 balance, including principal and interest, totaling \$4,926.36.

16 5. As of the filing of this adversary proceeding, there was a balance due and owing
17 under the Promissory Notes, including principal and interest, in the aggregate amount of
18 approximately \$81,618.59 ("Outstanding Balance"), with variable interest rates, and with interest
19 accruing thereafter pursuant to the Promissory Notes.

20 6. The Outstanding Balance is currently due and owing on the Promissory Notes and
21 the Student Loans evidenced by the Promissory Notes are non-dischargeable educational loans,
22 pursuant to 11 U.S.C. §523(a)(8).

1 7. For so long as the Plaintiff does not default under this Stipulation, the Outstanding
2 Balance shall be reduced to \$20,000.00 ("Reduced Balance"), and the variable interest rates shall
3 be reduced to a fixed rate of 1% ("Reduced Interest"), and the Plaintiff shall repay the Reduced
4 Balance at the Reduced Interest rate as follows: \$175.21 per month for a period of one hundred
5 and twenty (120) consecutive months. The first monthly payment is due to be received by NSL
6 on or before **January 6, 2023**, with subsequent payments to be received on or before the **sixth**
7 (**6th**) day of each month thereafter.

8
9
10 8. All payments pursuant to this Stipulation shall note the Plaintiff's ten digit
11 account number, *****2762 (redacted here for privacy reasons) on the payment and shall be
12 mailed to, "Navient Solutions, LLC, P.O. Box 9000, Wilkes-Barre, PA 18773-9000," or to any
13 other address provided to the Plaintiff by NSL in writing.

14
15 9. The following shall be Events of Default hereunder: (a) the Plaintiff shall fail to
16 make any payment due hereunder within thirty (30) days of the due date, without securing NSL's
17 agreement to a forbearance of such payment(s); or (b) the Plaintiff commences any further legal
18 proceedings against NSL, its predecessors, successors or assigns, seeking to discharge debt.

19 10. Upon the occurrence of an Event of Default under this Stipulation, pursuant to
20 Paragraph 9 of this Stipulation, any forgiveness of the principal and interest is revoked, and the
21 Plaintiff will be liable for the full amount of the Outstanding Balance, as referenced above, plus
22 interest pursuant to the applicable terms of the Promissory Notes for the Plaintiff's Student
23 Loans (less any payments made hereunder which, following default shall be applied first to
24 interest that would have accrued had this Stipulation not been in effect, and then to principal).

1 11. There is no penalty for prepayment under this Stipulation but any prepayment,
2 unless it is payment in full, does not relieve the Plaintiff of the obligation to make ongoing
3 monthly payments.
4

5 12. In the event the Plaintiff, pursuant to applicable NSL policy and the terms of the
6 Promissory Notes, qualifies for, or the parties agree to, any deferment or forbearance of payment
7 obligations, after this Stipulation is approved, interest will continue to accrue during the time of
8 any such deferment or forbearance, at the interest rate stated herein, so that the total amount to be
9 repaid, and the monthly payments required, may increase from that stated herein.
10

11 13. Should any issues arise, related to billing or repayment of loans subject to this
12 agreement, wherein the Plaintiff believes that billing or collection efforts related to loans subject
13 to this agreement are not in accordance with this Stipulation, the Plaintiff agrees that such issues
14 should be directed to a Supervisor or Manager in NSL's Bankruptcy Litigation Unit (as of this
15 writing, Ms. Petra Shipman), who may be reached at 1-800-251-4127, or to any other telephone
16 number provided by NSL in writing, or in response to a specific borrower inquiry. The parties
17 understand that any such communications, if not directed as specified in this Paragraph, may not
18 be addressed in a timely manner, or in a manner specifically in accordance with this Stipulation.
19

20 14. Except as provided in this Stipulation, all other terms of the Promissory Notes
21 remain in effect and are hereby incorporated by reference.
22

23 15. Any amendment, modification, or waiver of any term or condition of this
24 Stipulation must be made in writing and signed by all parties hereto.
25
26
27

16. This Stipulation may be executed in counterparts, or by facsimile, each of which shall constitute an original, but all of which together shall constitute one and the same Stipulation.

WHEREFORE, the parties pray this Honorable Court for an Order approving the instant Stipulation and dismissing Navient Solutions, LLC and named Defendant Navient Solution, LLC as Defendants in the above-captioned adversary proceeding.

Dated: 12/15/22 By: /s/ David B. Schumacher
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